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U.S.-Canada Free Trade Agreement

United States Department of State
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Washington, D.C.

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U.S.-Canada Free Trade Agreement

President Bush began his trip to Ottawa, Canada, in February 1989, by speaking of the U.S.-Canada Free Trade Agreement (FTA)—a historic accord representing the culmination of efforts covering more than 100 years—which went into effect on January 1, 1989. The FTA is a bilateral agreement designed primarily to eliminate trade barriers and open new avenues of trade between the United States and Canada. It strengthens an already extensive trading relationship and enhances economic opportunity on both sides of our common border.

The U.S.-Canadian trade relationship is the strongest in the world today. Each year the United States and Canada exchange more goods and services than any two countries in the world, with bilateral merchandise trade of about $154 billion in 1988, quadruple the 1974 level. Clearly, the elimination of tariffs and most other barriers to trade between the two countries under the FTA can only serve to further our economic progress.

While the FTA does not eliminate all trade problems between the United States and Canada, it does provide a consultative framework in which these issues can be managed before they create serious economic and political frictions. Industries in both the United States and Canada can expect ongoing structural readjustment in adapting to changing market conditions in the years ahead. However, the FTA will facilitate those changes and lead the two nations into a new century with the most productive and extensive trading relationship in the world.

Basic FTA Precepts

The FTA is an agreement designed with several key points in mind. Specifically, these objectives are to:

- Eliminate tariffs and substantially reduce other barriers to trade in goods and services between the two countries;
- Promote fair competition;
- Liberalize trade in several areas, including agriculture, autos, energy, and government procurement;
- Establish rules on investment and financial services;
- Establish effective administrative procedures and resolve disputes; and
- Lay the foundation for further bilateral and multilateral cooperation.

Although these objectives address a great many issues, the agreement is not intended to circumvent previously existing arrangements on trade and other bilateral relations. On the contrary, the FTA serves to further enhance our relationship. The FTA also is fully consistent with U.S. and Canadian obligations under the General Agreement on Tariffs and Trade (GATT). It does not lessen commitments to achieve multilateral trade liberalization. Rather, it establishes useful precedents for the ongoing Uruguay Round of GATT negotiations.

The GATT has served trading nations well for more than 40 years. However, this global system traditionally has been restricted to trade in goods. There is a missing link—services and investment, which have become increasingly important international economic activities in which the United States and Canada have a very strong relationship. Therefore, the two countries are working together in the Uruguay Round to expand GATT coverage to include trade-related investment and service activities. The implementation of the FTA has provided needed impetus to these negotiations.

Enactment of the FTA was not easy. Many years of negotiations were involved in hammering out the agreement. In the United States, the Senate approved it on September 21, 1988. In

Canada, the FTA became the centerpiece of a bitter federal election campaign which tested the commitment of Prime Minister Mulroney's government to the FTA. The result was an endorsement of the FTA by the Canadian people, passage by the Canadian parliament on December 30, 1988, and the agreement's entry into force on January 1, 1989.

Summary of Key Provisions

The agreement contains provisions covering virtually every traded sector. The following is a synopsis of these provisions.

General Provisions on Product Trade

Tariffs: Eliminates all tariffs on U.S. and Canadian goods by 1998. Some tariffs were removed on January 1, 1989, while the others will be phased out in 5 or 10 years.

Rule of Origin: Rules of origin define goods eligible for FTA treatment and prevent "free riding" by third countries. Goods produced only in the United States or Canada qualify for FTA treatment. Goods containing imported components qualify if sufficiently transformed to result in a specified change in tariff classification. In some cases, there is an additional requirement that 50% of the cost of manufacturing be in the United States or Canada.

Customs: Ends customs user fees for goods and most duty drawback programs (under which importers receive a duty rebate on exports) by 1994 for bilateral trade; ends duty waivers linked to performance requirements by 1998 (except for the auto pact).

Quotas: Eliminates import and export quotas unless consistent with the GATT or explicitly grandfathered (allowed to remain in place) by the FTA.

National Treatment: Reaffirms GATT principles preventing discrimination against imported goods.

Standards: Prohibits use of product standards as a trade barrier and provides for national treatment of testing labs and certification bodies.

President Bush with Prime Minister Mulroney at the White House on May 4, 1989.

(White House photo by David Valdez)

Emergency Action: Allows temporary import restrictions to protect domestic industries harmed by increased imports from the other country in limited circumstances.

Government Procurement: Expands the size of Federal Government procurement markets open to competitive bidding by suppliers from the other country by reducing the minimum purchases covered to $25,000.

Agriculture and Industry

Agriculture: Eliminates all tariffs and export subsidies in bilateral trade and limits or eliminates bilateral quantitative restrictions on some agricultural products, including meat. Eliminates Canadian import licenses for wheat, oats, and barley when U.S. crop price supports are equal to or less than those in Canada. Increases imports allowed under Canadian poultry and egg import quotas. For 20 years, allows tariffs on fruits and vegetables to be reimposed on a temporary basis during abnormally low price periods.

Energy: Prohibits most import and export restrictions on energy goods, including minimum export prices. Requires any export quotas designed to enforce either short supply or conservation measures to ensure continuation of the historically proportionate share of resources. Provides for Alaskan oil exports of up to 50,000 barrels per day to Canada under certain conditions.

Autos: Replaces eligibity rule for duty-free auto pact imports into the United States with a tougher FTA rule of origin. (Most auto trade already is duty free under the 1965 U.S.-Canada auto pact.) FTA continues the auto pact and programs allowing pact-qualified companies to import duty free into Canada but does not allow new firms to qualify for pact membership. Permits U.S. auto and parts exports that meet the FTA rule to enter Canada at FTA tariff rates, which will be reduced to zero by 1998. Ends, by 1996, Canadian programs not covered by the auto pact—production-based duty remission programs (under which producers pay less duty for automotive imports into Canada for meeting Canadian production requirements) and export-based programs by 1998 (those based on exports to the United States were ended on January 1, 1989).

Wine and Distilled Spirits: Removes the most discriminatory pricing and listing practices against wine or spirits imported from the other country. Prohibits new restrictions on beer.

Softwood Lumber: Preserves the 1986 memorandum of understanding with Canada on lumber pricing practices of Canadian provinces.

Cultural Industries: Exempts industries such as publishing, broadcasting, and films. However, if this exemption results in practices that restrain trade (otherwise inconsistent with the FTA), the injured party may take measures of equivalent commercial effect without resort to dispute settlement.

Services and Temporary Business Travel

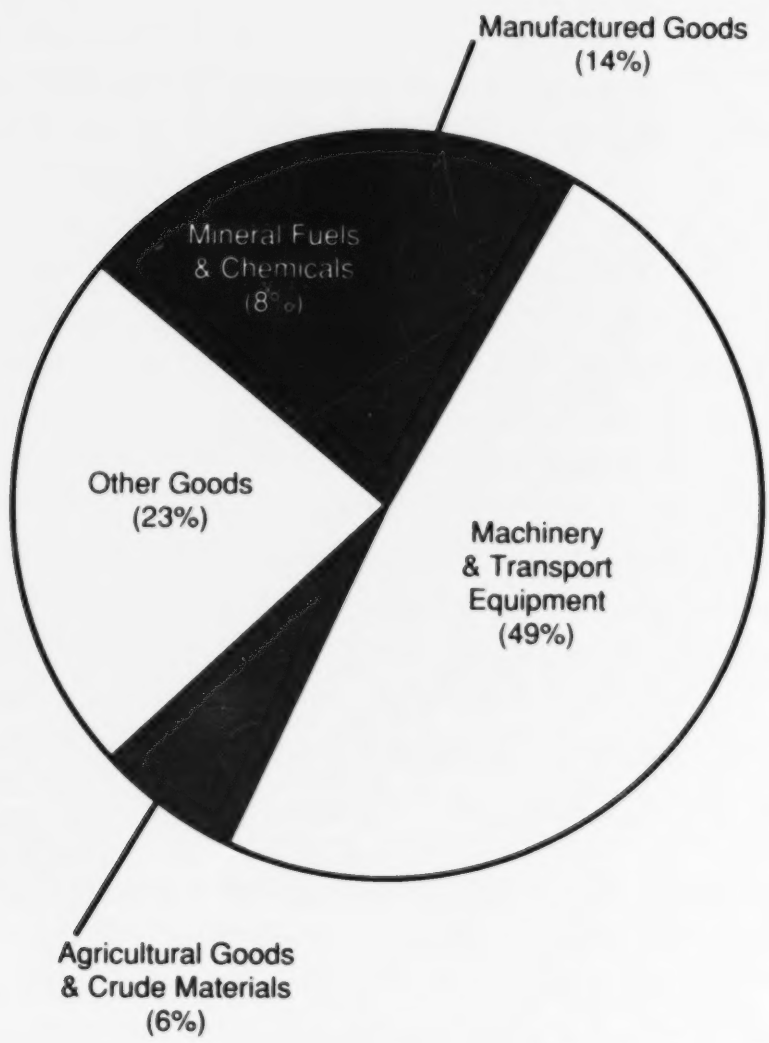
Services: Commits governments not to discriminate against covered service providers of the other country when making future laws or regulations (transportation services are excluded).

Business Travel: Facilitates cross-border travel for business visitors—investors, traders, professionals, or executives transferred within the company.

Investment and Financial Services

Investment: Provides that future laws and regulations must accord national treatment for establishment, acquisition, sale, conduct, and operation of business (exempts transportation). Existing measures that deny national treatment remain in place. Commits Canada to end review of indirect acquisitions by U.S. companies and raises the threshold for review of direct acquisitions in most sectors to C$150 million (constant 1992 Canadian dollars). Bans imposition of key performance requirements (i.e., local content, export, import substitution, and local sourcing requirements) imposed on foreign investments.

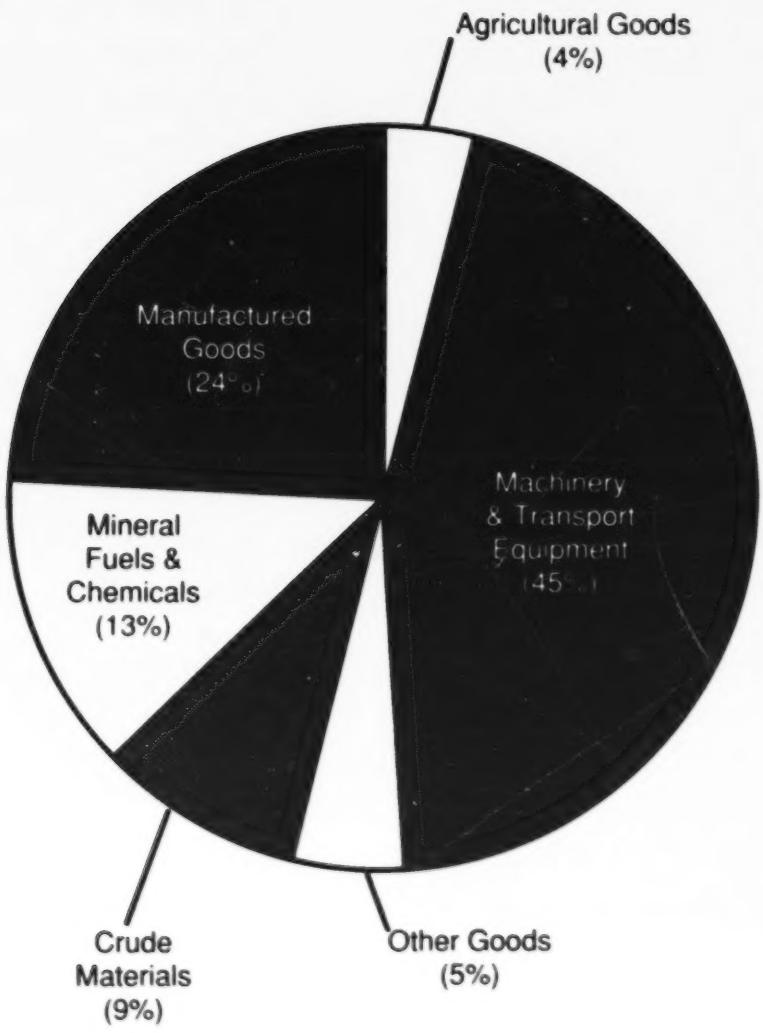
Total U.S. Exports to Canada: $71 billion



Guarantees free transfers of capital and current payments. Guarantees that investors will be compensated in accordance with international law in cases of expropriation.

Financial Services: Exempts U.S. bank subsidiaries from the ceiling on the share of Canadian domestic banking assets that can be held by foreign banks. Ends Canada's foreign ownership restriction on U.S. purchases of shares in federally regulated financial institutions. Assumes that reviews of U.S. firms' applications for entry into Canadian financial markets will be on the same basis as Canadian firms' applications. Permits banks in the United States to underwrite and deal in debt securities fully backed by the Government of Canada or Canadian political subdivisions. Establishes a formal consultative mechanism for financial services, separate from the general dispute settlement procedures, to resolve problems and oversee further financial market liberalization.

Total U.S. Imports From Canada: $83 billion



Resolving Disputes

General Dispute Settlement (except for cultural industries—publishing, broadcasting, film, etc.—financial services, countervailing duty, and antidumping cases): Establishes a binational commission to resolve disagreements and allows for arbitration if the parties desire.

Dispute Settlement for Countervailing Duty and Antidumping Cases: Countries will continue to apply existing national laws, but court review of administrative agency determinations in either country is replaced by a binational panel. The panel applies the same standard and scope of review as would the relevant court.

Putting the Free Trade Agreement Into Action

The concept of free trade underlies the FTA, which encompasses a wide array of issues and products. The two governments have established the Canada-U.S. Trade Commission to ensure proper implementation and to oversee further elaboration of the agreement. The FTA calls for the commission to meet at least once annually. At the first commission meeting, on March 13, 1989, it decided to meet twice a year, at least for the early period of implementation. The commission is responsible for the establishment of working groups to monitor implementation of the various chapters of the agreement and to undertake negotiations to expand the agreement's coverage in those areas. The working groups report directly to the commission, which is the highest decisionmaking body under the agreement.

The following five working groups were set up at the first commission meeting.

Accelerated Elimination of Tariffs: To consider requests for accelerated elimination of tariffs on particular products and make recommendations to the commission.

The FTA provides for tariffs not already eliminated to be phased out over 5 or 10 years;

either 5 annual reductions of 20% or 10 annual reductions of 10%. The agreement also provides for accelerated elimination of these tariff rates if approved by both governments.

The process currently works as follows. Unless otherwise specified, requests for accelerated tariff elimination are due by January 1 of each year. If both governments agree, the new schedule will become effective the following January 1. A petitioner for accelerated tariff elimination must provide the following information:

- Requestor's name, organization, address, contact individual, telephone number, and date of request;
- Product on which accelerated duty elimination is requested and whether the request pertains to the U.S. or Canadian import duty, or both;
- U.S. and/or Canadian harmonized system subheading numbers at the eight-digit level along with the product description of the subheadings;
- Current staging of the tariff elimination for each product or tariff subheading;
- Requested accelerated date of the tariff elimination and reasons for requesting accelerated tariff elimination;
- Requestor's exports to and/or imports from Canada for each product in the most recent 3-year period for which data are available;
- Requestor's projected exports and/or imports for the product if tariff elimination is accelerated as requested; and
- Names and addresses of known U.S. manufacturers of the products in question.

Petitions should be forwarded with 10 copies to the Office of North American Affairs, Office of the U.S. Trade Representative, Room 501, 600 17th Street, NW., Washington D.C. 20506.

Agricultural Issues: To monitor implementation of Chapter 7 (agriculture) and to oversee further cooperation and negotiations to expand coverage.

The agricultural working group is cochaired by the Under Secretary for International Affairs and Commodity Programs of the U.S. Depart-

ment of Agriculture and by the Senior Assistant Deputy Minister (United States) and Coordinator of the Free Trade Agreement of Canada or their representatives.

To conduct detailed work, eight subworking groups were established and will report to the main agricultural working group:

- Animal health;
- Plant health, seeds, and fertilizers;
- Meat and poultry inspection;
- Dairy, fruit, vegetable, and egg inspection;
- Veterinary drugs and feeds;
- Food, beverage, and color additives and unavoidable contaminants;
- Pesticides; and
- Packaging and labeling of agricultural, food, beverage, and certain related goods for human consumption.

Chapter 19 (Subsidies): To develop more effective rules and disciplines concerning the use of government subsidies and to develop a substitute system of rules for dealing with unfair pricing and government subsidization.

Customs-Related Issues: To resolve procedural problems involved in customs administration.

Rules of Origin: To consider, as appropriate, changes in the rules for FTA tariff eligibility.

In addition, the FTA commission established an Auto Select Panel, a committee of private-sector experts from both countries, to assess the state of the North American auto industry and to propose public policy measures and private initiatives to improve its competitiveness in domestic and foreign markets.

The U.S. Congress has asked the panel by June 30, 1989, to formulate proposals and recommendations regarding an increase in the North American content rule to 60%. Congress also has asked the panel to report by June 30, 1990, on trade-distorting policies and practices maintained by either party that affect bilateral trade in automotive goods and the rationale for maintaining such policies and practices.

Questions About the FTA

The following are frequently asked questions about how the FTA operates and how it might affect various sectors of the U.S. economy.

General

Q. Does the United States have a free trade agreement with countries other than Canada?

A. The United States has a less comprehensive free trade agreement with Israel.

Q. What other free trade agreements is the Administration planning?

A. The Administration has no plan at this time to negotiate other free trade agreements. In order to do so, it would need to seek special authority from the Congress.

Q. Why did the United States agree to eliminate its duties over the 10 years on such sensitive products as textiles and apparel, lead, zinc, and certain fish products, etc., when these industries have been in economic distress?

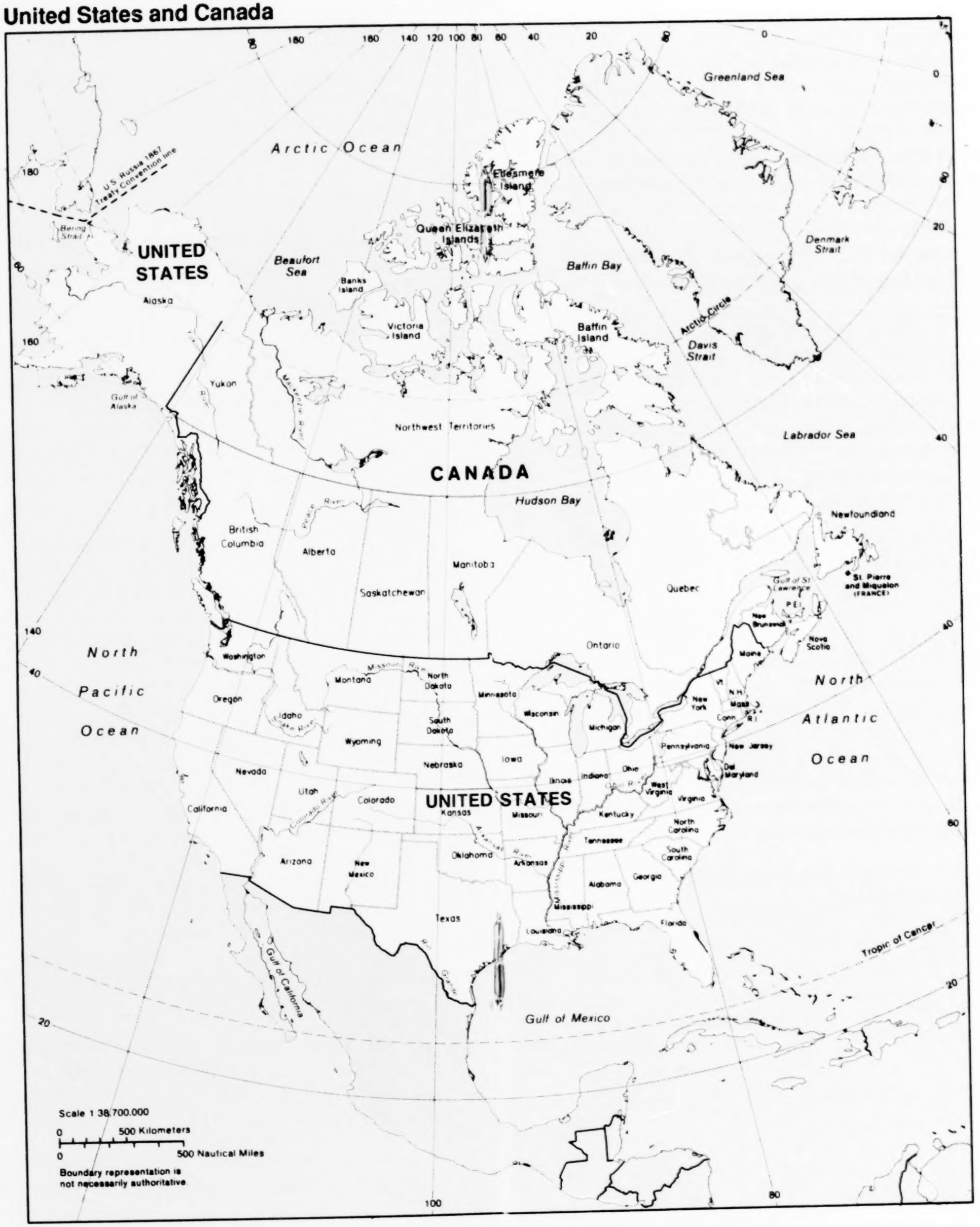
A. Both countries agreed to eliminate duties on all products, including sensitive ones. Canada also must eliminate duties on sensitive products. The total elimination of tariffs between the United States and Canada is the only way to achieve the widest trade liberalization possible in goods and services. However, recognizing the sensitivity of certain industrial sectors in both countries, the FTA provides for a 10-year phase-out period for duty elimination. The industry can take advantage of this full timeframe, or if the producers feel that the adjustment is already in place, they may seek accelerated tariff reduction.

Q. What does the United States gain from the FTA's services provision?

A. The United States gains three important benefits because the FTA:

- Ensures that the U.S.-Canadian market, already substantially open in services trade, will

United States and Canada



become more open through the prospective establishment of national treatment;

- Establishes a mechanism to resolve trade disputes for scores of service sectors and creates a forum for bringing other sectors into the FTA; and
- Provides a useful precedent for ongoing negotiations in the Uruguay multilateral trade round.

Q. Has the FTA eliminated all of the trade disputes which our two countries face?

A. No. Many issues remain unresolved, and several disputes including fish, alcoholic beverages, wool, plywood, the superfund (a tax imposed on oil imports to clean up toxic waste sites in the United States), and customs-users fees remain as points of contention. However, almost all our difficulties are more workable under the terms of the FTA than without it.

Q. Does the FTA achieve everything the United States wanted from the negotiations?

A. The overall agreement is something of which both countries can be proud. However, neither side obtained all it wanted. We are continuing negotiations through the joint trade commission with a view to improving the FTA wherever possible. For example, subsidies, dumping, investment, energy, services, intellectual property, government procurement, agriculture, technical regulations, product standards, and the automotive rule of origin are issues that we wish to pursue.

Q. Why doesn't the FTA eliminate Canadian subsidies?

A. The agreement requires both countries to eliminate export subsidies to each other. However, both the United States and Canada can continue to have domestic or production subsidies. This issue will be addressed over a 5- to 7-year period in bilateral negotiations. Our joint aim is to develop agreed discipline on government subsidies that will ensure fair trade within the FTA.

Agriculture

Q. Does the FTA impair Congress' ability to change domestic support programs?

A. The agreement does not affect the ability of either country to change domestic support programs for agricultural products. Of course, the programs would need to be consistent with the other provisions of the agreement regarding such matters as import duties and export subsidies.

Q. Has the United States given up protection from unfair import competition under Section 22 of the Agricultural Adjustment Act and corresponding GATT protection?

A. Both countries reserve the right to impose or reimpose import restrictions on a particular grain (specifically wheat, oats, barley, rye, corn, triticale, and sorghum) if imports increase significantly as a result of a substantial change in either country's support programs for that grain. The United States may use Section 22 when there is a significant increase in imports resulting from a substantial change in the price support programs of either country and provided the conditions of Section 22 are otherwise met. Past trade patterns are not likely to be affected by the elimination of the small U.S. duties on grain from Canada. It is not expected that U.S. imports of Canadian grain will increase significantly as a result of the removal of trade restrictions by the FTA.

Q. How does the FTA affect trade in grain?

A. Canada has agreed to eliminate import licenses for U.S. wheat, barley, oats, and their products when U.S. Government support for the particular grain is equal to or less than that of Canada. That has happened in the case of oats, and Canada is now eliminating the previous licensing system on that grain. Each country calculates its own support level in accordance with the formula set out in the agreement; there also is a mechanism to resolve any disagreement over calculations. The elimination of import licenses will provide improved mutual access to respective markets for both grains and processed products containing grains.

Auto Trade

Q. Why didn't the United States renegotiate the 1965 auto pact to remove its inequities, such as Canadian performance requirements (local content, etc.) and multilateral sourcing incentives?

A. Automotive trade was one of the most difficult issues in the FTA negotiations. The auto pact, under which most auto trade has been conducted for more than 20 years, essentially provides for duty-free trade in automotive goods between Canada and the United States if certain rules of origin are met. In addition, Canada has duty remission (waiver) programs based on meeting certain performance requirements. The FTA leaves the auto pact in place but freezes eligibility for duty-free entry into Canada to those existing firms appearing in an FTA annex. Furthermore, Canada has agreed to restrict benefits, such as duty remission programs based on production in Canada for nonpact members, to a limited number of firms. These programs will terminate by 1996. Programs which tie benefits to exports to the United States ended on January 1, 1989.

Q. Why doesn't the FTA require a 60% direct cost of processing rule for autos to increase the benefits to U.S. industry and labor?

A. U.S. negotiators explored the possibility of moving to a 60% North American rule. The Canadian Government, however, was concerned that this would be too restrictive for new foreign automotive subsidiaries that recently have invested in Canadian operations. The FTA did, however, toughen the auto pact's 50% rule of origin for entry into the United States by basing it on manufacturing costs instead of value added, as had been the case. Profits and costs, such as advertising and administrative overhead, will no longer count toward the 50%.

Q. What will the Auto Select Panel actually do?

A. Article 1004 of the FTA states that the panel is to assess the state of the North American automotive industry and propose public measures and private initiatives to improve its

competitiveness in domestic and foreign markets. The panel consists of 15 members from each country, with the responsibility of reporting to the joint Canada-U.S. Trade Commission.

Cultural Industries

Q. Why aren't cultural industries included in the FTA?

A. Canada insisted that most provisions of the FTA could not apply to "cultural" industries. These cultural industries include the publication, sale, distribution, or exhibition of books, magazines, and newspapers; film and video recordings; audio or video music recordings; and radio, television, and cable dissemination.

The FTA does provide for the elimination of tariffs on videos, records, and printed material, and copyright protection for the retransmission of commercial broadcasts. Furthermore, the United States retains the right to rebalance concessions with measures of equivalent commercial effect if Canada uses the cultural exception in a manner detrimental to our commercial interests. The United States also has the right to invoke the cultural exception, and Canada has the right to take countermeasures if we do so. The agreement does not require invocation of its dispute settlement provisions in order for either party to take such countermeasures.

Q. Doesn't the cultural exception adversely affect U.S. firms?

A. No. The FTA improves Canadian treatment of U.S. commercial interests in the cultural area. It provides for tariff elimination (e.g., on videos, records, printed material), improved provisions for sale of cultural industries, and copyright protection for broadcast retransmissions. In addition, the FTA allows the United States to take measures of equivalent commercial effect in the event that Canada enacts additional restrictions which impair U.S. access to the Canadian market and which would violate the agreement if there were no cultural exception. This right should serve as a disincen-

tive to the use of the cultural exception for measures that, although nominally cultural, have significant commercial effects.

Q. How is border broadcasting affected by the FTA?

A. Canada does not grant income tax deductions for advertising on U.S. stations, and this issues is not addressed by the FTA. However, it remedies the problem of unauthorized and uncompensated retransmission by Canadian cable systems of copyrighted television programs. By January 1, 1990, Canada will need to provide a right of renumeration (royalty) to the copyright holder for the simultaneous and unaltered retransmission of copyrighted programming. In addition, the FTA generally prohibits the nonsimultaneous or altered retransmission of copyrighted programming except with permission of the copyright holder.

Energy

Q. How does the FTA improve our energy security?

A. The FTA provides the United States with more secure access to Canadian energy supplies to meet our long-term energy needs, which is important to reduce our dependence on OPEC. The Canadians have agreed that, even in the event of a supply disruption, they will continue to provide the United States with its historically proportionate share of their energy supplies. Furthermore, the Canadians have agreed that they will not discriminate against U.S. consumers in the pricing of their energy resources, ensuring that U.S. consumers will not be cut off suddenly in the event of shortages. We have the same commitments to Canada.

Q. What barriers to energy trade are removed by the FTA?

A. There are virtually no barriers today in our bilateral energy trade. However, in order to preserve gains we have made, both sides agreed to prohibit restrictions on imports or exports in terms of supply, price, or taxes. Neither country may impose any taxes, duties, or charges on imported or exported goods unless such charges

also are imposed in equal amount on the same products for domestic use.

Neither country may discriminate against suppliers or consumers in the other country, relative to its own domestic suppliers or consumers, in the pricing of energy supplies. For example, under current Canadian regulations, exporters of Canadian electricity may not charge a price for that electricity which is significantly less than the least cost energy alternative available to their U.S. customers. Canadian regulations, in the past, have required that the minimum price for oil and gas exports be higher than the prevailing price to Canadian consumers. These practices have been eliminated under the FTA.

Q. What impact does the FTA have on U.S. oil and gas producers?

A. The agreement is not expected to have any immediate, direct effect on U.S. oil and gas producers, large or small. The FTA should not change the level of Canadian exports of oil or gas, since the Canadians are not currently restraining export levels or discriminating against U.S. consumers in the pricing of their exports. The United States, in turn, is not restricting imports. On the other hand, the FTA's rules against arbitrary or discriminatory government interference in energy trade over the longer term should help energy producers and consumers alike.

Financial Services

Q. How does the agreement affect U.S. commercial banks?

A. The FTA removes previous limits on growth, capital, and market share in Canada. Specifically, U.S. banks are now exempt from the ceiling on the share of Canadian domestic banking assets that can be held by foreign banks, as well as the individual capital limits used to implement the ceiling.

Q. How does the FTA affect U.S. insurance companies?

A. U.S. insurance companies now have the same rights as Canadian insurance companies to diversify in the federally regulated financial sector. They can either establish or acquire a

U.S.-Canada Free Trade Agreement Chronology

1854 Reciprocity Agreement (terminated by the United States in 1866).

1874 Reciprocity Agreement (defeated by U.S. Senate).

1911 Free Trade Agreement (defeated by Canadian electorate).

1947 General Agreement on Tariffs and Trade (multilateral agreement, including United States and Canada).

1948 Free Trade Agreement (suspended by Prime Minister King).

1965 Auto Agreement (free trade in automobiles and spare parts).

1988 Free Trade Agreement signed.

1989 Free Trade Agreement entered into force.

1998 All tariffs eliminated under Free Trade Agreement.

closely held bank or an insurance or trust company. As a result of Ontario provincial reforms, they also are able to acquire Canadian securities firms. (Ontario is the center of Canada's securities industry.)

Q. How are securities firms affected?

A. As a result of the FTA, U.S. securities firms are granted access to Canada and, for the first time, are able to diversify their activities in Canada by affiliating with insurance companies, trust and loan companies, or closely held commercial banks. Through a financial holding company, they can enter these new areas of

business either as new companies or by acquiring an existing firm.

Prior to this agreement, U.S. securities firms established in Canada were not primary distributors of Canadian Government paper or money market funds. The FTA assures that their applications to engage in these activities will be considered on an equal basis with Canadian firms.

Q. Is the FTA consistent with the principles of the Glass-Steagall Act?

A. The FTA is fully consistent with the Glass-Steagall Act but broadens its application to allow Canadian (and other) banks in the United States to underwrite and deal in debt obligations fully backed by the Canadian Government and its political subdivisions (the vast majority of current business of Canadian securities firms). This conforms with the existing ability of banks in the United States to underwrite and deal in securities of the U.S. Government and its political subdivisions, now permitted under the act. In addition, any future Glass-Steagall liberalization would automatically apply to Canadian, as well as to U.S., financial institutions.

Dispute Settlement and Remedies

Q. If the FTA does not resolve all conflicts between the United States and Canada, what does it do about them?

A. Most importantly, the FTA emphasizes dispute avoidance. However, if disputes do occur, the settlement mechanism, modeled after the GATT, is improved to assure more rapid and effective settlement. There are four basic steps involved:

- Notification and consultation;
- Referral to a five-person panel, if needed;
- A panel finding and recommendation; and
- Dispute resolution or retaliation.

If there is no resolution in 30 days after the panel finding, a party may retaliate. This process applies to all disputes except antidumping and countervailing duty cases, as well as financial services, which have their own dispute settlement processes.

Q. Does the FTA change U.S. antidumping and countervailing duty laws?

A. No. The FTA preserves the rights of U.S. companies to obtain relief from injurious dumping and government subsidies under such laws. It has created a procedure under which binational panels, substituting for national courts, review determinations in U.S. or Canadian cases on products of the other country.

Q. Is it constitutional to have a binational panel instead of U.S. courts review antidumping and countervailing duty determinations?

A. There is no constitutional right to have a federal court hear an appeal of administrative decisions in such cases. The Congress has the power to prescribe or limit the jurisdiction of federal courts; indeed, it was only in 1980 that the Congress, by statute, provided for the range of appeals to federal courts that are now available. Moreover, there is no constitutional right to import or to be subject to a particular tariff. Consequently, eliminating judicial review of determinations in cases against Canadian products does not raise due process problems.

Further Information

U.S. Department of State	
Office of Canadian Affairs	(202) 647-1097
Office of International Trade	(202) 647-2320
The U.S. Trade Representative	
Office of Canadian Affairs	(202) 395-5663
Office of Public Affairs	(202) 395-3230
U.S. Department of Commerce	
Office of Canadian Affairs	(202) 377-3101
Office of Public Affairs	(202) 377-3808
U.S. Department of Agriculture	
Inter-American Branch	(202) 382-1338
U.S. Department of the Treasury	
Canada desk	(202) 566-2747
U.S. Department of Labor	
Office of International Economic Affairs	(202) 523-6203
Canadian Free Trade Hotline	1-800-267-6626

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